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EXAMINER	
RIOUX, JAMES A	
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3694	

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/015,003	JONES, W. RICHARD	
	Examiner	Art Unit	
	James Rioux	3694	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *09 April 2007*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-41* is/are pending in the application.

4a) Of the above claim(s) *21-39 and 41* is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-20 and 40* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☒ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date *See Continuation Sheet*.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

Continuation of Attachment(s) 3). Information Disclosure Statement(s) (PTO/SB/08), Paper No(s)/Mail Date :2/11/2002, 7/11/2003, 8/29/2005.

DETAILED ACTION

1. Claims 1 through 41 have been reviewed and are pending in the patent application numbered 10/015003 by Jones (hereinafter referred to as the Application). Claims 1 through 20 and 40 were elected for examination and have been examined in the Application. Claims 21-39 and 41 are withdrawn.

Specification

2. 35 U.S.C. 112, first paragraph, requires the specification to be written in "full, clear, concise, and exact terms." The specification is replete with terms which are not clear, concise and exact. The specification should be revised carefully in order to comply with 35 U.S.C. 112, first paragraph. Examples of some unclear, inexact or verbose terms used in the specification are: nothing in the specification on page 28, lines 10 continuing till page 29, lines 5 correspond to anything in Fig. 6 which the specification is purportedly describing.

Claim Rejections - 35 USC § 112

The following is a quotation of the first paragraph of 35 U.S.C. 112:

> The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

3. Claims 1 through 20 and 40 are rejected under 35 U.S.C. 112, first paragraph. Specifically, the claimed invention is not supported by either an asserted utility or a well-established utility for the reasons set forth above. One skilled in the art clearly would not know how to use the claimed invention because the person skilled in the art would need to know how to chose the maximum coefficient ratio.

4. The general rule for "Undue Experimentation" is if the factors indicate undue experimentation is required for the use of the invention by considering the a.) breadth of the claims, b.) nature of the invention, c.) state of the prior art, d.) level of one of ordinary skill, e.) the level of predictability in the art, f.) amount of direction provided by the inventor, and g.) the quantity of experimentation needed to use the invention then the claimed invention will be unpatentable. In re Wands, 858 F.2d 731, 737 (Fed. Cir. 1988).

5. Here, the a.) breadth of the claims factor is satisfied because independent claims 1 and 2 talk of "allocating individual weight coefficients" without guidance as to what coefficient are to be added. Here, the b.) nature of the invention factor is satisfied because the invention essentially divvies up investment capital on a basis based on a user selected ratio without guidance of how that ratio is to be chosen.

6. Here, the c.) state of the prior art factor is satisfied because there is significant divergence in the prior art as how to best diversify a portfolio. See PTO-892 Notice of References Cited for scope of prior art's portfolio diversification strategies.

7. Here, the d.) level of one of ordinary skill factor is satisfied because a typical individual attempting to invest would not have anywhere near the experience of the inventor. See Earnings basis for weighting stock portfolios, Pensions & Investments, August 6, 1990, p.1.

8. Here, the e.) the level of predictability in the art factor is satisfied because the development of portfolio selection continues to increase with the increased patent applications in the 705/36R classification section. Currently, the 705 art unit has a 10-

year backlog of patent applications and therefore it can't be predicted how portfolio selection will develop due to this fields rapid growth.

9. Here, the f.) amount of direction factor is satisfied because the inventor on page 20 of the specification instructs ratios from 1 to 500 but indicates the ratio must be selected based on the type of financial instrument. However, no guidance is given on how to vary the ratio based on the type of financial instrument.

10. Here, the g.) the quantity of experimentation needed factor is satisfied because the investor would have to pick a ratio and learn from his own (and potentially costly) experience without guidance from the inventor. Therefore, there is "Undue Experimentation" because the factors weigh in to conclude that significantly more experimentation is required based on the facts presented in the application and prior art.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

11. Claims 1 – 20 and 40 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

12. **As to Claim 1** , the phrase "allocating individual weight coefficients corresponding said selected financial instruments" is not definite because a person of ordinary skill in the art would be uncertain what "selected instruments" are to be selected means since no guidance in the claims or specification indicate the proper selection of instruments to be chosen with the instant Application. The metes and

bounds of the claim cannot be understood because of the lack of definiteness in the claim.

13. Claims 3 – 20 and 40 are also rejected because of their dependency on claim 1.

14. **As to Claim 2** , the phrase "selecting a number of stocks publicly traded on a stock exchange, said number of stocks being larger than about 50" is not definite because a person of ordinary skill in the art would be uncertain what "selecting a number of stocks" to select since no guidance in picking the stocks is given in the Application. Furthermore, the phrase "about 50' is not definite because a person of ordinary skill in the art would be uncertain how many stocks to pick since some stocks are exceedingly expensive which would make variance in "about 50" correspondingly expensive. The metes and bounds of the claim cannot be understood because of the lack of definiteness of the claim in the claim.

15. Claims 3 – 20 and 40 are also rejected because of their dependency on claim 2.

16. **As to Claim 12**, the phrase "wherein said sector is one of the following: technology,..., or other sectors" is not definite because a person of ordinary skill in the art would be uncertain what "other sectors" are intended since no "other sectors" are indicated in specification or the claims. The metes and bounds of the claim cannot be understood because of the lack of specificity in the claim.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the

invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

The factual inquiries set forth in *Graham* **v.** *John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

17. Claims 1, 2, 6, 13 and 40 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bloom et al, U.S. Patent 6,061,663 (hereinafter **Bloom**), in view of O'Shaughnessy, U.S. Patent 7,177,831 B1 (hereinafter **O'Shaughnessy '831**).

18. **As to claim 1**, Bloom teaches or discloses a method of creating an investment portfolio, comprising the acts of:

a. allocating individual weight coefficients corresponding said selected financial instruments by giving a larger allocation to an instrument having a larger capitalization and giving a smaller allocation for an instrument having a smaller capitalization in said number of said financial instruments (See Bloom; Column 2, Lines 5 through 15 and Column 3, Lines 27 through 45 and Abstract) ;

b. wherein the ratio of a largest weight coefficient and a smallest weight coefficient is limited by a selected maximum ['factor' is interpreted to mean the equivalent of 'coefficient'] (See Bloom; Column 6, Lines 46 through 52 and Claim 7) ;

c. maintaining substantially said purchased financial instruments for a selected time period regardless of market conditions (See Bloom; Column 2, Lines 14 through 21 and Abstract).

19. However, Bloom does not teach or disclose "selecting a number of individual financial instruments publicly traded on an exchange" as proposed in the Application. Bloom also does not teach or disclose "purchasing said selected financial instruments based on said weight coefficients representing relative values between said individual financial instruments" as proposed in the Application.

20. On the other hand, O'Shaughnessy '831 teaches or discloses that "selecting a number of individual financial instruments publicly traded on an exchange." See O'Shaughnessy '831; Column 2, Lines 16 through 17 and Abstract. O'Shaughnessy '831 also teaches or discloses that "purchasing said selected financial instruments based on said weight coefficients representing relative values between said individual financial instruments." See O'Shaughnessy '831; Column 2, Lines 3 through 15, Title and Abstract.

21. Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify Bloom to include a automated investment allocation system in view of O'Shaughnessy '831 because O'Shaughnessy '831 simply automates capitalization weighted system investment allocation of Bloom since the need to "simplify ... to reduce the possibility of human error" (through automation) as stated in of Engstfeld. See Engstfeld (3,221,156) Column 2, Lines 15 through 20. Note, "[t]he suggestion or motivation to combine references does not have to be stated

expressly; rather it may be shown by reference to the prior art itself, to the nature of the problem solved by the claimed invention, or to the knowledge of one of ordinary skill in the art [which is expressed in Engstfeld]. Medical Instrumentation and Diagnostics Corp v. Elekta AB, 68 USPQ2d 1263 (Fed. Cir. 2003). It would have been obvious to one skilled in the art to use the improved automated system in O'Shaughnessy '831 to automate the system of Bloom because Bloom would need or want the feature of automation to simplify and reduce error.

22. **As to claim 2,** Bloom teaches or discloses A method of creating an investment portfolio, comprising the acts of:

a. allocating individual weight coefficients corresponding said selected stocks (See Bloom; Column 3, Lines 27 through 45 and Abstract) ; and

b. maintaining substantially said purchased stocks for a selected time period regardless of a market capitalization of any of said stocks (See Bloom; Column 2, Lines 14 through 21 and Abstract).

23. However, Bloom does not teach or disclose an "selecting a number of stocks publicly traded on a stock exchange, said number of stocks being larger than about 50" as proposed in the Application. Note that the differences are mere change of size [of stock in a portfolio] and substitution of material of the most obvious kind, on a par with the differences between a hairbrush and a toothbrush. See In re Wolfe, 116 USPQ 443, 444 (CCPA 1961). Bloom also does not teach or disclose "purchasing said selected stocks based on said weight coefficients representing relative values between said individual stocks" as proposed in the Application.

24. On the other hand, O'Shaughnessy '831 teaches or discloses that "selecting a number of stocks publicly traded on a stock exchange, said number of stocks being larger than about 50." See O'Shaughnessy '831; Column 2, Lines 16 through 17 and Abstract. O'Shaughnessy '831 also teaches or discloses that "purchasing said selected stocks based on said weight coefficients representing relative values between said individual stocks." See O'Shaughnessy '831; Column 12, Lines 33 through 43, Title and Abstract.

25. The analysis for the art being analogous and motivation to combine is the same as for claim 1 above and is not repeated for brevity. Therefore, it would have been obvious to one skilled in the art to use the improved automated system in O'Shaughnessy '831 to incorporate the system of Bloom because Bloom would need or want the feature of automation.

26. **As to claim 6,** O'Shaughnessy '831 also teaches or discloses wherein said maintaining substantially includes putting cash proceeds into a money market fund. See O'Shaughnessy '831; Column 15, Lines 41 through 55.

27. **As to claim 13,** O'Shaughnessy '831 also teaches or discloses wherein allocating includes dividing said selected stocks into three groups based on their market capitalization and allocating the same weight coefficient for all said stocks in each said group. See O'Shaughnessy '831; Abstract.

28. **As to claim 40,** O'Shaughnessy '831 also teaches or discloses a computer program product stored on a computer readable medium comprising an algorithm arranged to perform the method of claim 1 or 2. See O'Shaughnessy '831; Abstract.

29. Claims 3, 4, 5, 7, and 18 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bloom and O'Shaughnessy '831 as applied to claims 1, 2, 6, 13, and 40 above, and further in view of Kam, U.S. Patent Application No: US 2002/0042037 A1 (hereinafter **Kam**).

30. **As to claim 3,** Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "wherein said selected maximum is 100" as proposed in the Application. On the other hand, Kam teaches or discloses that "wherein said selected maximum is 100." See Kam; Page 12, Paragraph [0119].

31. Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify Bloom and O'Shaughnessy '831 to include the investment of dividends in view of Kam because Kam just allows additional investment option since the need of a "system of the invention offers the advantage of permitting individual investors to objectively and quickly track their own portfolio(s) performance and get advice and commentary from other ranked investors, and their ranking is associated with their commentary so that the inquiring investor can evaluate the credibility of the commentary" as stated in of Kam. See Kam; Page 3, Paragraph [0023]. It would have been obvious to one skilled in the art to use the improved investment options in Kam to augment the systems of Bloom and O'Shaughnessy '831 because Bloom and O'Shaughnessy '831 would need or want the added feature.

32. **As to claim 4,** Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not

teach or disclose "wherein said maintaining substantially includes allowing reinvestment of dividends" as proposed in the Application. On the other hand, Kam teaches or discloses that "wherein said maintaining substantially includes allowing reinvestment of dividends." See Kam; Page 14, Paragraph [0163] and Paragraph [0130].

33. Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify Bloom and O'Shaughnessy '831 to include a investment of dividend in view of Kam because Kam just allows additional investment option since:

> "a shift in demographics and societal norms, particularly driven by the Internet-driven information access, that is fundamentally altering the way individuals manage their personal financial assets. Increasingly, consumers are taking direct control over their personal financial affairs because: 1) advances in technology make it easy to do so, 2) it is more convenient and less expensive than relying on financial intermediaries, and 3) the poor or erratic performance of the professionally managed funds encourages investors to manage their own funds, not only for the financial rewards, but also because of the intellectual and financial challenge, and the satisfactions derived from those management activities."

34. See Kam; Page 1, Paragraph [0006]. It would have been obvious to one skilled in the art to use the improved investment options in Kam to augment the systems of Bloom and O'Shaughnessy '831 because Bloom and O'Shaughnessy '831 would need or want the feature of reinvesting dividends since individual investors would need use the dividends as capital for their investments.

35. **As to claim 5**, Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "wherein said maintaining substantially includes receiving new shares

from spin-offs, mergers or acquisitions without subsequent selling for said selected time period" as proposed in the Application. On the other hand, Kam teaches or discloses that "wherein said maintaining substantially includes receiving new shares from spin-offs, mergers or acquisitions without subsequent selling for said selected time period." See Kam; Page 10, Paragraph [0094]. The analysis for the art being analogous and motivation to combine is the same as for claim 4 above and is not repeated for brevity.

36. **As to claim 7**, Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "wherein said maintaining substantially includes distributing proceeds to investors" as proposed in the Application. On the other hand, Kam teaches or discloses that "wherein said maintaining substantially includes distributing proceeds to investors." See Kam; Page 14, Paragraph [0163]. The analysis for the art being analogous and motivation to combine is the same as for claim 4 above and is not repeated for brevity.

37. **As to claim 18**, Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "creating a mutual fund" as proposed in the Application. On the other hand, Kam teaches or discloses that "creating a mutual fund" See Kam; Abstract. The analysis for the art being analogous and motivation to combine is the same as for claim 4 above and is not repeated for brevity.

38. Claims 8, 17, 19, and 20 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bloom and O'Shaughnessy '831 as applied to claims 1, 2, 6, 13, and

40 above, and further in view of Wallman, U.S. Patent No: US 6,601,044 B1 (hereinafter **Wallman**).

39. **As to claim 8**, Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "wherein said selecting includes identifying stocks of 1000 largest publicly traded companies" as proposed in the Application. On the other hand, Wallman teaches or discloses that "wherein said selecting includes identifying stocks of 1000 largest publicly traded companies." See Wallman; Column 2, Lines 59 through 63.

40. Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify Bloom and O'Shaughnessy '831 to include a method for creating a portfolio and executing trades in view of Wallman because Wallman incorporates typical portfolio and trading function since the need of "the collection of securities into pre-packaged portfolios that, if acquired by an investor, provide the investor all the advantages described before of directly owning the underlying securities while having a portfolio that reflects some strategy or preference" as stated in of Wallman. See Wallman; Column 15, Lines 45 through 55. It would have been obvious to one skilled in the art to use the improved portfolio system in Wallman to add features in the system of Bloom and O'Shaughnessy '831 because Bloom and O'Shaughnessy '831 would need or want all the trading features to attract customers.

41. **As to claim 17**, Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose a "financial instrument includes one of the following: common stocks,

derivatives, stock options, commodity futures, or bonds" as proposed in the Application. On the other hand, Wallman teaches or discloses that a "financial instrument includes one of the following: common stocks, derivatives, stock options, commodity futures, or bonds." See Wallman; Column 10, Lines 32 through 41. The analysis for the art being analogous and motivation to combine is the same as for claim 8 above and is not repeated for brevity.

42. **As to claim 19,** Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "creating a closed-end fund" as proposed in the Application. On the other hand, Wallman teaches or discloses that "creating a closed-end fund." See Wallman; Column 4, Lines 12 through 15. The analysis for the art being analogous and motivation to combine is the same as for claim 8 above and is not repeated for brevity.

43. **As to claim 20,** Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "creating a unit investment trust" as proposed in the Application. On the other hand, Wallman teaches or discloses that "creating a unit investment trust." See Wallman; Column 4, Lines 12 through 15. The analysis for the art being analogous and motivation to combine is the same as for claim 8 above and is not repeated for brevity.

44. Claims 9 and 10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bloom and O'Shaughnessy '831 as applied to claims 1, 2, 6, 13, and 40 above, and further in view of Admissions by the Applicant (hereinafter **Specification**).

45. **As to claim 9**, Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "selecting includes identifying stocks of 3000 largest publicly traded companies and choosing a market segment" as proposed in the Application. On the other hand, Admissions by the applicant teaches or discloses that "selecting includes identifying stocks of 3000 largest publicly traded companies and choosing a market segment." See Specification; Pages 6-7, Lines 29 through 5.

46. Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify Bloom and O'Shaughnessy '831 to include a group of stock in view of the specification because inventor acknowledges the idea of stock groups was well known in the art since the inventor describes the grouping of stocks in the discussion of the prior art. It would have been obvious to one skilled in the art to use grouping of stock to add to the system of Bloom and O'Shaughnessy '831 because Bloom and O'Shaughnessy '831 would need or want the well know feature of stock groupings.

47. **As to claim 10**, Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose, the "selecting includes identifying stocks of 5000 largest publicly traded companies and choosing a market segment" as proposed in the Application. On the other hand, Admissions by the applicant teaches or discloses that "selecting includes identifying stocks of 5000 largest publicly traded companies and choosing a market segment." See Specification; Pages 4, Lines 4 through 15. The analysis for the

art being analogous and motivation to combine is the same as for claim 9 above and is not repeated for brevity.

48. Claims 14, 15 and 16 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bloom and O'Shaughnessy '831 as applied to claims 1, 2, 6, 13, and 40 above, and further in view of Anderson, U.S. Patent No: US 6,064,985 (hereinafter **Anderson**).

49. **As to claim 14,** Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "wherein the first, second and third group includes 20 percent, 60 percent, and 20 percent, respectively, of said number of stocks" as proposed in the Application. On the other hand, Anderson teaches or discloses that "wherein the first, second and third group includes 20 percent, 60 percent, and 20 percent, respectively, of said number of stocks." See Anderson; Column 14, Lines 19 through 31.

50. Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify Bloom and O'Shaughnessy '831to include a diversification in a portfolio in view of Anderson because Anderson simply diversifies portfolios in terms of percentages since the need to invest across a wide range of investments so that if some investments lose value they will be offset by those investments that gained in value. It would have been obvious to one skilled in the art to use the improved diversification in Anderson to add to the system of Bloom and O'Shaughnessy because Bloom and O'Shaughnessy would need or want additional features. Note that the differences are mere change of size [of percentages of portfolio diversification] and substitution of material of the most obvious kind, on a par with the

differences between a hairbrush and a toothbrush. See In re Wolfe, 116 USPQ 443, 444 (CCPA 1961).

51. **As to claim 15,** Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "said first group and said third group provide 3 to 1 purchase price allocation" as proposed in the Application. On the other hand, Anderson teaches or discloses that "said first group and said third group provide 3 to 1 purchase price allocation." See Anderson; Column 14, Lines 19 through 31. The analysis for the art being analogous and motivation to combine is the same as for claim 14 above and is not repeated for brevity. Note that the differences are mere change of size [of percentages of portfolio diversification] and substitution of material of the most obvious kind, on a par with the differences between a hairbrush and a toothbrush. See In re Wolfe, 116 USPQ 443, 444 (CCPA 1961).

52. **As to claim 16,** Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "provide 2 to 1 purchase price allocation" as proposed in the Application. On the other hand, Anderson teaches or discloses that "provide 2 to 1 purchase price allocation." See Anderson; Column 14, Lines 19 through 31. The analysis for the art being analogous and motivation to combine is the same as for claim 14 above and is not repeated for brevity. Note that the differences are mere change of size [of percentages of portfolio diversification] and substitution of material of the most

obvious kind, on a par with the differences between a hairbrush and a toothbrush. See In re Wolfe, 116 USPQ 443, 444 (CCPA 1961).

53. Claims 11 and 12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bloom and O'Shaughnessy '831 as applied to claims 1, 2, 6, 13, and 40 above, and further in view of Klein, U.S. Patent No: US 6,907,403 B1 (hereinafter **Klein**).

54. **As to claim 11,** Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "selecting includes identifying stocks from a particular sector" as proposed in the Application. On the other hand, Klein teaches or discloses that "selecting includes identifying stocks from a particular sector." See Klein; Abstract.

55. Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify Bloom and O'Shaughnessy '831 to include a selecting sectors in view of Klein because Klein indicates an investment strategy since the need to obtain "sectoral statistics themselves can provide significant information regarding the macro economy and the prospects for other related and/or dependent industries" as stated in of Klein. See Klein; Column 1, Lines 19 through 24. It would have been obvious to one skilled in the art to use the investment strategy in Klein to add to the system of Bloom and O'Shaughnessy '831 because Bloom and O'Shaughnessy '831 would need or want the basic investing feature of tracking market sectors.

56. **As to claim 12,** Bloom and O'Shaughnessy '831 teaches or discloses a method of creating an investment portfolio. However, Bloom and O'Shaughnessy '831 does not teach or disclose "wherein said sector is one of the following: technology,

biotechnology, health case, information technology, telecommunications, semiconductor, energy, utilities, transportation, or other sectors" as proposed in the Application. On the other hand, Klein teaches or discloses that "wherein said sector is one of the following: technology, biotechnology, health case, information technology, telecommunications, semiconductor, energy, utilities, transportation, or other sectors." See Klein; Abstract. The analysis for the art being analogous and motivation to combine is the same as for claim 11 above and is not repeated for brevity.

Double Patenting

57. The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple assignees. A nonstatutory obviousness-type double patenting rejection is appropriate where the conflicting claims are not identical, but at least one examined application claim is not patentably distinct from the reference claim(s) because the examined application claim is either anticipated by, or would have been obvious over, the reference claim(s). See, e.g., *In re Berg*, 140 F.3d 1428, 46 USPQ2d 1226 (Fed. Cir. 1998); *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

58. A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) or 1.321(d) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent either is shown to be commonly owned with this application, or claims an invention made as a result of activities undertaken within the scope of a joint research agreement.

59. Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

60. Claims 1 through 20 and 40 are provisionally rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claims1 through 110 of copending Application No. 2005/0060254 A1. Although the conflicting claims are not identical, they are not patentably distinct from each other because they both disclose a method of Investment portfolios.

61. Also, claims 1 through 20 and 40 are provisionally rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claims1 through 40 of copending Application No. 2003/0014343 A1. Although the conflicting claims are not identical, they are not patentably distinct from each other because they both disclose long-term investing.

62. This is a provisional obviousness-type double patenting rejection because the conflicting claims have not in fact been patented. Please file the disclaimers for the aforementioned patent applications.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to James Rioux whose telephone number is (571) 272-7326. The examiner can normally be reached on Monday through Friday from 8:30 AM to 5:00 PM..

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on (571) 272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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